

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

MINES & MINERALS - Andhra Pradesh Mineral Development Corporation Limited - Supply of Bauxite Ore by the M/s.APMDC Limited to Alumina Plant and Aluminium Smelter to be established by M/s ANRAK Aluminium Limited in Visakhapatnam District under Joint Venture - Agreement approved - Orders - Issued.

INDUSTRIES & COMMERCE (M.III) DEPARTMENT

G.O.Ms.No.289

Dated.30-10-2008

Read the following :-

- 1) MoU dt.14-02-2007 between Govt of AP and Government of Ras Al Khaimah.
- 2) G.O.Ms.No.222, Ind. & Com. (M.III) Deptt., dt.13-08-2008.
- 3) Government Letter No.4364/M.III(2)/2007, Ind. & Com (M.III) Deptt., dt.29-10-2008.
- 4) From the Vice Chairman & Managing Director, APMDC Ltd., proposals dt.20-10-2008.

ORDER:

In the reference 1st read above, Government of Andhra Pradesh have entered into an MoU with Government of Ras-Al-Khaimah for supply of Bauxite Ore through M/s Andhra Pradesh Mineral Development Corporation Limited for the Alumina Refinery /Aluminium Smelter to be established in non-scheduled areas in Visakhapatnam District by M/s Ras-Al-Khaimah under Joint Venture with M/s. Andhra Pradesh Mineral Development Corporation Limited to produce 1 million tones Alumina and 2.5 lakh tones of Aluminium per annum initially with a provision for suitable expansion.

2) In the reference 2nd read above, the Government have issued orders accepting and approving the recommendations of the High Powered Committee with regard to fixation of sale price of Bauxite Ore to be supplied by M/s.Andhra Pradesh Mineral Development Corporation Limited to M/s ANRAK Aluminium Limited pursuant to the said MoU and directed the M/s.Andhra Pradesh Mineral Development Corporation Limited to enter into Bauxite Supply Agreement and take necessary action accordingly by taking approvals of Government wherever required from time to time.

3) In the reference 3rd read above, Government have further accepted the opinion expressed by the High Powered Committee and clarified that there will be only one Director to be nominated from M/s Andhra Pradesh Mineral Development Corporation Limited on the Board of the Directors of the respective Aluminium Companies instead of another Director from the Government side.

4) In the reference 4th read above, the Vice Chairman & Managing Director, M/s. Andhra Pradesh Mineral Development Corporation Limited has stated that after series of discussions held with M/s Price Water House Coopers Private Limited a "Draft Agreement for Supply of Bauxite Ore" has been obtained. The said Draft Agreement covers all the aspects contained in the MoU 1st read above and the conditions stipulated in the Government orders 2nd read above. In addition, it also covers operating modalities. The Vice Chairman & Managing Director, M/s Andhra Pradesh Mineral Development Corporation Limited has requested the Government for scrutiny and vetting of the said Draft Agreement.

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5) The Draft Agreement for Supply of Bauxite Ore has been scrutinized and vetted by the Law Department vide their U.O.No.7067/LSP/2008, dt.21-10-2008 and the same has been concurred by the Finance Department vide their U.O.No.10751/566/Exp.I&C/2008, dt.23-10-2008.

6) Accordingly, Government hereby approve the said Draft Agreement for Supply of Bauxite Ore, submitted by the Vice Chairman & Managing Director, M/s. Andhra Pradesh Mineral Development Corporation Limited with a condition that this agreement shall not be implemented till the permission of the Government of India is obtained by M/s A.P.Mineral Development Corporation Limited under section 2 (ii) of Forest Conservation Act,1980 and also Environment Clearances for the Bauxite Mining project. The Vice Chairman & Managing Director, M/s. Andhra Pradesh Mineral Development Corporation Limited is permitted to enter into above agreement with M/s ANRAK Aluminium Limited.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**Y. SRILAKSHMI
SECRETARY TO GOVERNMENT**

To
The Vice Chairman & Managing Director, M/s Andhra Pradesh Mineral
Development Corporation Limited, Ameerpet, Hyderabad.

Copy to:

The Director of Mines & Geology, Andhra Pradesh, Hyderabad.

The Secretary to Govt. of India, Ministry of Mines, Shastri Bhavan,
New Delhi-110 001.

The Finance (Expr.I&C) Department.

The Law Department.

PS to Hon'ble Chief Minister.

PS to Hon'ble Minister for Mines & Geology.

PS to Chief Secretary to Government.

PS to Secretary to Government, Industries & Commerce Department.

SF/SC (C.NO.14336/M.III(2)/2007)

***Copy of this order is available on Internet and can be accessed
at address <http://www.ap.gov.in/goir>".***

//Forwarded :: By Order//

SECTION OFFICER.